

**LEGISLATIVE SERVICES AGENCY
OFFICE OF FISCAL AND MANAGEMENT ANALYSIS**

301 State House
(317) 232-9855

FISCAL IMPACT STATEMENT

LS 7802

BILL NUMBER: HB 1703

DATE PREPARED: Jan 9, 2001

BILL AMENDED:

SUBJECT: Motor Vehicle Dealer Unfair Practices.

FISCAL ANALYST: James Sperlik

PHONE NUMBER: 232-9866

FUNDS AFFECTED: **GENERAL
DEDICATED
FEDERAL**

IMPACT: No Fiscal Impact

Summary of Legislation: This bill defines "affiliate of a manufacturer or distributor". The bill characterizes what constitutes a business dealing between the manufacturer or distributor and the dealer or between the affiliate and the dealer. The bill also provides that it is an unfair practice for a manufacturer or distributor to fix, vary, or attempt to fix or vary, the terms of business dealings between the manufacturer or distributor and the dealer by contract or other means on the condition or requirement that the dealer obtain financing or another financial service from the manufacturer, distributor, or an entity in which the manufacturer or distributor has an interest.

This bill also provides that a manufacturer or distributor commits an unfair practice if its affiliate fixes or varies, or attempts to fix or vary, the terms of business dealings between the affiliate and the dealer by contract or other means on the condition or requirement that the dealer obtain financing or another financial service from the affiliate.

Effective Date: Upon passage.

Explanation of State Expenditures:

Explanation of State Revenues:

Explanation of Local Expenditures:

Explanation of Local Revenues:

State Agencies Affected:

Local Agencies Affected:

Information Sources: